



Advancing Landscapes in the Andean Amazon (ASLAA)

Quarterly Report

FY 2014 - QR4

1 PROJECT COVER SHEET

1.1 NAME OF THE PROJECT:

Advancing Landscapes in the Andean Amazon (ASLAA)

1.2. DATES (START/FINISH):

AGREEMENT/ CONTRACT

Sun, 30/09/2012 - 00:00 to Tue, 29/09/2015 - 00:00

REPORT PERIOD

Tue, 01/10/2013 - 00:00 to Tue, 30/09/2014 - 00:00

1.3. PRIME PARTNER:

Rainforest Alliance

1.4. NAME OF PROGRAM MANAGER:

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1.7. MECHANISM NUMBER:

AID-OAA-A-11-00055

1.8. OVERALL PROGRAM DESCRIPTION:

Our strategy is premised on addressing the principal threats to biodiversity and their drivers identified in two landscapes that have the most significant impact and can be countered directly given the experience of RA and its partners to optimize impacts locally. The threats include habitat degradation and loss due to wholesale deforestation or land-use conversion, while the drivers of these threats can be grouped into three areas: a) limited institutional capacity by local governments and communities for natural resource management; b) limited participation in and access to programs by local groups for resource management and sustainable production chains; and c) weak organizational capacity and market linkages of local producers and operators to grow local economic opportunities. RA and its partners, AIDER and ECOLEX, designed this project to conserve biodiversity in two landscapes, Sucumbíos/Napo, Ecuador and Cusco/Madre de Dios, Peru. In the first landscape we work in the Cuyabeno Wildlife Reserve (CWR), the Limoncocha Biological Reserve (LBR) and the buffer zone of Sumaco – Napo Galeras National Park. In Madre de Dios (MDD), we work in the district of Tambopata in the communities of Tres Islas (TI), Palma Real (PR), Infierno, Sonene, and Puerto Arturo (PA). We also work with the Brazil nut gatherer associations RONAP, located alongside the interoceanic highway, and ASCART, in the Tambopata National Reserve. In Cusco, we work in La Convención and Calca Provinces. Within CWR, we work in the tourism area and with the Siona communities of Tarabeia, San Victoriano, and Puerto Bolívar, for a total of 130,000 ha. The LBR is located in the Shushufindi canton close to Yasuní National Park. In the buffer zone of Sumaco-Napo Galeras National Park we work in the Hatun Sumaco parish, which includes the Hatun Sumaku, Wawa Sumaku, Wuamaní, Patco Sumaku, Pucuno Chico, Volcán Sumaku and Challuayacu indigenous communities. In Tambopata, we work with the Ese Ejnas, Shipibos, Yine, Amahuaca, and Kicharunas ethnicities representing 75,000 ha approximately. In upper and middle Tambopata, we work in the Filadelfia area with tourism operations, representing approx. 3,000 ha. The combined land area managed by ASCART and RONAP totals forest concession areas of approx. 70,000 ha. In La Convención Province we work in Quellouno and Echarate districts and in Calca Province in Yanatile district, within the Ivochote and Laco-Yavero watershed and cover 13,500 ha of the following cooperatives: Bioazul, Jose Olaya, Chaco Huayanay, Paquivo, Alto Urubamba, and Mateo Pumacahua and Asociacion Agricultura Ecologica.

2. STRATEGY OVERVIEW

2.1. INTERMEDIATE RESULTS

2.1.1 IR1 - Selected Landscapes Managed Sustainably:

- The Ecuadorian Ministry of Environment (MAE) accepted the Security Plan for CWR developed together with Peace Nexus and COGINTA. The plan's fundamental principles are local ownership of public security policy and adoption of international security best practices. The Ministry of Defense and ECU 911 supported the process together with local actors, and will be responsible for implementation.
- In Cusco, we completed geo-referencing of 350 farms (more than 6,500 ha), an important input for planning and implementing sustainable land use.
- GOREMAD incorporated the natural resource and cultural tourism maps we helped DIRCETUR develop into their planning exercises, which for the first time will allow for tourism projects to be included in their activities and budget, as well as inform the MDD territorial land-use planning project. The maps are also being used to promote tourism in MDD.

- The SERNANP tourism unit approved the study on acceptable change limits in Lake Sandoval, and the main tourism operations in the area received training to ensure compliance with the subsequent regulations.
- In collaboration with WWF and other entities, the MDD biodiversity strategy was designed and approved.
- MAE approved the methodology for protected area visitor management; CWR, YNP, LBR and Pululahua Geobotanic Reserve completed their plans. We facilitated the development of indicators for acceptable change limits to determine tourism carrying capacity and install a continuous control and monitoring system in protected areas with an emphasis on biodiversity and water quality. It is hoped that USFS, through a specialist, will continue to improve the tool and further adapt it.
- The National Secretariat for Risk Management approved 4 risk management plans for tourism operations in CWR, bringing the total approved plans to 5.
- In coordination with Cuyabeno parish and co-financed by Fondo Italo Ecuatoriano (FIE), communities (Cofán, Kichwa, Shuar, Siona and Secoya) were trained in
- inorganic waste management, and a waste collection system was developed. The tour operators in CWR were included in trainings and commitments were made for managing their inorganic waste.
- We developed the baseline for LBR with International University SEK and LBR staff. It analyzed the conservation status of the reserve, including biotic and socio-economic elements, provided various recommendations to reduce pressure on biodiversity, and will be a key input for the protected area management plan.
- Hatun Sumaku (HS) leadership approved the land use plan (39,209 ha, including 6 indigenous and 1 mestizo community) developed under the National Secretary of Planning and Development (SENPLADES) guidelines.
- To advance the community legalization process in HS parish, Volcán Sumaco, Challwayaku, 10 de Agosto (Jatun Sumaco) and Wawa Sumaco developed community boundary reports. The former two updated land use maps for their management plans, which are the key requirement for legalization.
- Land-use zoning plans in Sonene, Infierno, PR, PA, Boca Paríamanu (BP) and TI were completed and incorporated into their respective communal life plans; the former three developed and approved their land-use zoning strategies and monitoring plans.
- TI, Infierno, PR, PA approved 5-year forestry plans based on the results of forest inventories. They also established timber committees responsible for ensuring adequate timber extraction.
- Eight land-use plans for model farms are being implemented in Ivochote and Lacco Yavero; to decrease production costs and environmental damage and improve effectiveness of fertilizer use, fertilization plans are included.
- RNTAMB and PNBS incorporated 3 new Brazil nut harvesting areas, allowing PR and Sonene to legally harvest in the expanded areas following environmental regulations included in the management plan.
- 13 tourism companies are implementing the environmental regulations for tourism operations in CWR. 12 of these achieved the minimum required score of 90 points needed to obtain 2014 patents, an improvement from an initial average of 59.
- We strengthened personnel capacity in three protected areas by facilitating the sharing of experiences in the use of tools for monitoring biodiversity, water resources and tourism. After this training the LBR manager included budget for monitoring activities.

- Administrative regulations for natural resource use for HS communities were drafted, and are currently being reviewed.
- TI, Infierno, PR, and Sonene updated and approved their communal statutes to align them with their land-use plans and control actions, including statutes related to operationalizing productive committees.
- The coffee technical roundtable in Cusco approved the regional competitiveness strategic plan.
- 20 local organizations and public authorities in Cusco signed an agreement to incorporate sustainability principles into their operation plans for coffee and cocoa in the Megantoni Sanctuary buffer zone.
- We signed an agreement with the government Procompite program and the Echarati municipality to support technical staff from 8 projects to incorporate cocoa sustainable practices, involving 300 farmers.
- In Peru, the National Forestry Authority approved the terms of reference for palm fruit management and harvesting, which include guidelines for the elaboration of management plans. This approval addresses an important legal gap that significantly limited the use of this resource.
- In Ecuador, 35 participants completed a 26-day course on tourism in protected areas.
- The institutional actors of the naranjilla roundtable defined responsibilities for providing technical support for the implementation of BMP and other actions in Napo province. The roundtable adopted a BMP manual for clean naranjilla production using the Sustainable Agriculture Network and government Agrocalidad criteria.
- Together with the University of Minnesota we evaluated timber and non-timber value chains for copal and guayusa in HS, the most abundant commercial species identified in a forest inventory carried out in the seven HS communities. We will begin to develop guayusa value chains.
- We supported clean naranjilla producers in the sale of 5,000 bottles of naranjilla juice at \$1.40 a bottle at a Napo province fair, providing a net increase in income of about 50% for the group.
- Seven pilot training farms were selected in HS based on crop diversity, availability of conservation area and forest, distance to other community members, gender and other criteria.
- An experience exchange with 4-5 farmers from each of the HS communities to Verde Canande in Santa Clara, Pastaza increased knowledge of naranjilla BMP and commercialization.
- With the participation of the public and private sector, we helped develop the Tambopata tourism marketing plan, which will promote the reserve as a sustainable tourism destination.
- Two tourism businesses operating in RNTAMB obtained access to the Promperu national promotion plan to market their products over national holidays.
- The cooperatives of CEPROCEC, JOSE OLAYA, MEGANTONI, CHAUPIMAYO, MARANURA, CHACO HUAYANAY, Paquivo, APECMU, as well as exporters CAMSA-BIOAZUL y AICASA, consolidated implementation of BMP to conserve biodiversity, improve social wellbeing and enable integrated crop management. Their implementation is a result of ongoing capacity building and training provided by SL, and has enabled them to achieve or maintain voluntary certifications such as Rainforest Alliance Certified, Organic, FairTrade, among others, which provides value-added and differentiates their coffee and cocoa.
- Brazil nut producer groups AFIMAD and ASCART finalized agreements with buyer CANDELA and AGROBANCO to increase financing for the 2014 Brazil nut harvest to a total of \$163,000.

Particularly noteworthy is that ASCART increased its financing volumes from \$50,000 to \$150,000 from AGROBANCO. Utilizing credit from the bank – instead of having to commit their production as collateral as in previous years, enabled them to sell at higher prices.

- TI and ASCART obtained 3 financing agreements from FONDAM, GOREMAD and PROCOMPITE GOREMAD for forest resource use totaling \$200,000. The funds were invested to develop value-added processing infrastructure for Brazil nut and palm-fruit processing.
- In MDD, for the first time 4 families in BP jointly harvested 20,000 board feet of lupuna (*Ceiba pentandra*) using low impact logging techniques, resulting in the establishment of a seed fund for the purchase of a timber resaw machine.
- Native communities BP, PA, TI and PR increased their primary processing efficiency, leading to an average increase in income of 6%.
- PA established an agreement with CANDOR LATAM to sell around 30,000 kilograms of Brazil nut from the 2014 harvest.
- The selection committee made up of consortium members and USAID for our small grants program selected 4 winners in Peru and 5 in Ecuador. Project objectives range from strengthening community tourism operations, to developing organic fertilizers and improving value added processing.

2.1.2 IR2 - Key Elements of Natural Resources Governance Functioning in Critical Landscapes:

- To help strengthen the governance of the communities (Wawa Sumaco, Hatun Sumaco, Volcán Sumaco y Challwayacu) in the HS parish and support the regulation of land tenure, trainings were held, community leadership committees were updated and statutes were discussed, approved and presented to MAGAP and the Ecuador Peoples and Nationalities Development Board (CODENPE) to comply with a requirement for legalizing the communities and qualifying for fee exemptions, and obtaining recognition as ancestral lands.
- A conflict over territorial limits between the communities Challwayacu and Volcán Sumaco was resolved. The formerly established limits were visited in the field and an agreement between the parties was signed.
- The native community of El Infierno concluded its territorial regularization process, with the inclusion of land that previously overlapped with the Tambopata National Reserve.
- A solution to the conflict between the MDD NC PR and RNTAMB related to the overlapping of the two land areas was reached. Together both parties agreed to land use norms, clarified their limits, and pledged to jointly demarcate the limits.
- Through the provision of technical assistance to the regional government titling and land registry office, the formal processes for correcting boundaries and resolving disputes between native communities and external landowners has improved.
- The Operations Manual for sustainable tourism in protected areas that includes legal and regulatory requirements that must be implemented by operators and tourism operators was delivered to CWR, LBR and YNP. The manual focuses on limiting the impact of tourism activities on biodiversity. It is already having a positive impact by prohibiting recreational piranha fishing and limiting visiting hours for the near- threatened crested eagle nest in CWR.
- As part of our support to the Napo provincial government Environmental Leadership Schools, we imparted seven modules related to facilitation and planning, rights, identity, citizenship and gender, management of natural resources, climate change, organization and leadership, and

conflict management. Twelve male and eleven female leaders in HS graduated after six months of training. The participants have already replicated 139 trainings with approximately 2,000 participants from their respective communities.

- Under the guidance of the naranjilla roundtable, the legal framework for the formation of a clean naranjilla producer organization was clarified and coordinated with MAGAP and the National Institute for Economic Solidarity (IEPS). The association of the producers will help achieve better conditions for product sale, thereby increasing income. In addition, the Ecuadorian Ministry of Health joined the naranjilla roundtable to address health problems stemming from excess chemical use in naranjilla production.
- We facilitated the participation of eight representatives from four local organizations in the forestry dialogue community forest management group and coordination round table in MDD in the socialization of the wildlife and forestry law regulations.
- Sixty-eight Brazil nut concession holders in the TNR participated in the updating and validating of the RNTAMB Brazil nut management plan, specifically contributing to the revision of natural resource use regulations related to their access, use and consumption.
- The MDD forestry roundtable incorporated community forest management and Brazil nut collection into their lines of action, as well as the formal incorporation of project beneficiaries.
- Similarly in Cusco, the coffee and cocoa roundtables shared legal, environmental and political agrarian considerations with 35 civil, business, cooperative and political authority groups, thereby contributing to improved understanding and action in these areas.

2.1.3 IR3 - Increased Capacity to Utilize Payment for Environmental Services (PES)-like and other Economic Incentive Programs:

- The community of Pucuno Chico in Napo presented the requirements for entering 556 hectares into the Socio Bosque conservation incentive program, representing future revenue of \$13,032 per year for the next 20 years and benefiting 140 community members.
- The Ministry of Agriculture, Livestock, Aquaculture and Fisheries (MAGAP) approved the model proposed for their reforestation incentive program in HS. Together with the Amazon State University we selected native species including *Cordia Allodora* for this reforestation program.
- Three hundred farmers with 7,000 hectares from four cooperatives and two private businesses maintained their Sustainable Agriculture Network certification, providing options for accessing differentiated markets such as from buyers Bioazul and AICASA.
- By obtaining Brazil nut fair trade certification, AFIMAD increased its sales by 4% over the 2013 harvest, representing an additional \$5,000 in income.

2.1.4 IR4 - Greater Understanding and Solutions for Key Environmental Issues:

- Together with tourism operations, guides, canoeists and the environmental authority of the CWR, we developed a protocol for visiting the nest of the crested eagle, a species that is listed as Near Threatened in the international IUCN Red List and Vulnerable in Ecuador. Important agreements have been established (e.g. days, duration and interval of visits) to limit potential impacts from tourism visitation.

- To strengthen the capacities of protected areas managers in the Ecuadorian Amazon we organized an experience exchange among staff of the Cajas National Park and the Cuyabeno, Yasuni and Limoncocha protected areas. This initiative takes advantage of Cajas National Park's extensive experience monitoring and investigating water resources and tourism and wildlife, issues of great importance for Amazonian protected areas due to their relationship to biodiversity conservation. The specialists analyzed tools that can be replicated in the Amazon to maximize positive and minimize negative impacts of tourism on biodiversity.
- For the landscape analysis case study, we have begun collecting and systematizing project information from local governments to develop the methodology for land use and land cover change analysis, fragmentation analysis and the spatial environmental decision support system (EDSS) that integrates the different inputs including land use and cover change and project interventions. The proposed EDSS will enable key users (e.g. local stakeholders, governments and project managers) to visualize and analyze relevant data for natural resource management to spatially depict different aspects of projects that were implemented in the landscapes as well as land use and cover dynamics.
- Under the forest degradation case study in Ecuador, the field methodology for assessing forest degradation and the methodology to collect information for ecosystem services and degradation using interviews were developed.

2.1.5 Support Unit Services:

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2.2 CROSS-CUTTING THEMES AND USAID KEY ISSUES

2.2.1 Improve Policies and Policy Implementation

- The Security Plan for CWR was developed together with Peace Nexus and COGINA and accepted by the MAE. The plan's fundamental principles are local ownership of public security policy and adoption of international security best practices.
- The environmental regulations for tourism operations in CWR are being implemented by 13 tourism companies. Twelve of the operations achieved the minimum required score of 90 compliance needed for obtaining 2014 patents, an improvement from an average 59 in the initial evaluation.
- Supporting the implementation of the regulations in CWR, five risk management plans for tourism operations in CWR were approved by the National Secretariat for Risk Management.
- The HS land use plan was developed under the guidelines established by the National Secretary of Planning and Development (SENPLADES) and approved by the Hatun Sumaku leadership. This planning tool supports decision making and managing natural resources in the community.
- Regulations for administration and financial management in the communities of HS were developed by the communities.
- In coordination with the Amazon State University we supported MAGAP to adapt the model for reforestation incentives to the Napo context.
- Twenty local organizations and public authorities in Cusco signed an agreement to incorporate sustainability principles into their operation plans for coffee and cocoa farms in the Megantoni Sanctuary buffer zone.
- In Peru, the National Forestry Authority approved the terms of reference for palm fruit management and harvesting, which include guidelines for the elaboration of management

plans. This approval addresses an important legal gap that significantly limited the use of this resource.

- Twenty local organizations and public authorities in Cusco signed an agreement to incorporate sustainability principles into their operation plans for coffee and cocoa farms in the Megantoni Sanctuary buffer zone.
- Sixty-eight Brazil nut concession holders in the TNR participated in the updating and validating of the RNTAMB Brazil nut management plan, specifically contributing to the revision of natural resource use regulations related to their access, use and consumption.

2.2.2 Increase Gender Awareness and Gender-related Program Outcomes

We are implementing an action plan to incorporate a gender perspective in field activities to facilitate the recognition of women as agents of change and emphasize the importance of their active participation in decision-making and natural resource use and management. For example, in Ecuador during the development of new statutes for the Wamani community (parish Hatun Sumaku), women were included as members of the community, meaning that they are now included in the land title, and can be elected as a part of the community governing council. We are also supporting women's participation in the naranjilla value chain through Maria Rosalina Licuy Shiguango, president of the clean naranjilla group "Ally Laran" and manager of Community Bank of Wamani. Her group was awarded a small grant to make organic fertilizer available to their producers and others interested in substituting chemical for organic fertilizers. In Peru, the female leaders of communities in Madre de Dios are being trained to actively participate in resource use roundtables and the management of their natural resources. We began working with women in the Palma Real community to strengthen the viability of their incipient Tamshi (*Heteropsis flexuosa*) fiber basketry business, and through training and participation in national fairs have already significantly increased their sales and revenues. Mrs Clavelina Sanchez is a leading producer of cocoa and coffee in the buffer zone of the Megantoni Sanctuary in Cusco. She receives technical assistance to improve the quality of her coffee and cocoa, and has made significant changes that serve as examples for other farmers in neighboring communities. Currently, Clavelina and her husband maintain 14 hectares of primary forest in her farm, which has a total of 24 hectares. In terms of increasing women's participation in project activities, during the second half of FY 14, the average of women participation increased from 35% to 37% in our 176 trainings and workshops. In Peru, basketry is traditionally the work of women, and so female participation in these trainings is at more than 85% on average. In Ecuador women participated with great interest in the elaboration and presentation of the management plans in their communities (e.g. 49% in the Diez Agosto-Hatun Sumaco community, 41% in the Pucuno Chico community). We had 14% of the participants that didn't want to indicate their age, 1% of the participants who are younger than 18 years, 20% of the participants between 18 and 30 years, the main age is between 31 and 60 years (59%) and 6% are older than 60 years.

2.2.3 Strengthening of Selected Regional Organizations and Institutions

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2.2.4 Improve Region-wide Capacity for Conservation Through Training

- MAE officials from CWR, YNP and LBR were trained in the methodology for visitor management in protected areas and received technical assistance to develop visitor management plans for their protected areas.

- Tourism operators, guides, canoeists and the environmental authority participated in training on managing sensitive species requiring protection like the crested eagle found in CWR, a bird listed as near threatened in the international IUCN Red List and Vulnerable in Ecuador.
- Tools for monitoring biodiversity, water resources and tourism in protected areas were presented the YNP, CWR and LBR management, who were also trained in the their use during an exchange of experiences with the Cajas National Park team.
- As part of our support to the Napo provincial government Environmental Leadership Schools, we imparted seven modules related to facilitation and planning, rights, identity, citizenship and gender, management of natural resources, climate change, organization and leadership and conflict management. Twelve male and eleven female leaders in HS graduated after six months of training. The participants have already replicated 139 trainings with approximately 2,000 participants from their respective communities.
- An environmental education plan incorporating principles of the Sustainable Agriculture Network standard were accepted by the education and agriculture schools in Echarati and Quellouno in Cusco.
- Twenty local organizations and public authorities in Cusco signed an agreement to incorporate sustainability principles into their operation plans for coffee and cocoa farms in the Megantoni Sanctuary buffer zone.
- We signed an agreement with the government run Procompite program and the Echarati municipality to support the technical staff from eight projects incorporate cocoa sustainable practices, involving 300 farmers.

2.2.5 Increase Indigenous Peoples'™ Participation

- Trainings were held to strengthen the governance of the communities (Wawa Sumaco, Hatun Sumaco, Volcán Sumaco y Challwayacu) in the HS parish and support the regulation of land tenure. Community leadership committees were updated and statutes were discussed and approved and presented to MAGAP and the Ecuador Peoples and Nationalities Development Board (CODENPE) to comply with a requirement for legalizing the communities and qualifying for fee exemptions, and obtaining recognition as ancestral lands.
- As part of our support to the Napo provincial government Environmental Leadership Schools, we imparted seven modules related to facilitation and planning, rights, identity, citizenship and gender, management of natural resources, climate change, organization and leadership and conflict management, amongst indigenous youth leaders. The trainings help enhance these youths ability to engage in NRM issues in their communities.
- The native communities of Tres Islas, Infierno, Palma Real, and Sonene updated and approved their communal statutes to align them with their land-use plans and control actions, including statutes related to productive committees.
- We facilitated the participation of eight representatives from four local organizations from the community forest management group of the forestry dialogue and coordination round table in MDD in the socialization of the wildlife and forestry law regulations.
- The MDD forestry roundtable incorporated community forest management and Brazil nut collection into their lines of action, as well as the formal incorporation of project beneficiaries.

2.2.6 Climate Change - Adaptation

- Inclusion of climate change adaptation best management practices such as soil fertility enhancements, in the seven pilot farms and 14 plots in HS.

- Implementation of a series of adaptation practices consistent with the criteria of the SAN Climate Module amongst farms in Cusco. Practices include: restoration of vulnerable and degraded areas; soil fertility enhancements; and vulnerability planning.
- Inclusion of a climate change adaptation and mitigation training module in the curriculum of the School of Environmental Leadership.

2.2.7 Climate Change (REDD+, Sustainable Landscapes)

- Integrating climate change mitigation as a cross-cutting theme to agricultural BMP implementation in coffee and cacao farms in Cusco and naranjilla producer plots in Napo. Prioritized practices include: forest conservation and restoration, responsible use of agrochemicals to minimize emissions, and water conservation and appropriate treatment facilities to reduce methane emissions, amongst others.
- Designing plans to extend rotation ages of naranjilla production in HS communities, which will reduce deforestation pressures due to unsustainable naranjilla production in parish communities.
- Reforesting 10 hectares in the community of Wamani, with another 50 planned in FY15 and 60 in each of the following 4 years, as part of the community's implementation of the MAGAP reforestation program. These activities enhance forest carbon stocks.
- Integrating climate change mitigation practices into BMP guidance for tourism operations in and around the CWR.
- Sustainable harvesting and extraction of NTFPs such as tamshi, brazil nut and palm fruits in native communities in MDD enhances the economic value of standing forests and reduces pressures for forest conversion; in this means SL strategies are very well aligned with emerging REDD+ priorities around incentivizing sustainable production as a means to stem deforestation and promote forest conservation.

3. NETWORKING AND SYNERGY

3.1. ANDEAN AMAZON LEVEL

The inclusion of two landscapes in the project presents an opportunity to share knowledge, best practices and lessons learned about effective, sustainable, scalable practices from two distinct areas of the Andean Amazon in order to foment a more comprehensive understanding of the best approach to promoting the protection and conservation of protected areas and buffer zones in the chosen landscapes and in other key global biodiversity hotspots. In line with this, we are utilizing internal regional coordination through monthly and quarterly meetings and sharing of technical and strategy documents to promote lessons learned within the project, and share similar strategies within each component and technical area. In coordination with the Conservation Strategy Fund and the ICAA Support Unit, we participated as a speaker in the Advanced Economic Tools for Conservation in the Andean Amazon: Sustainable Business Plans course by sharing the consortium's experience working with Brazil nut associations developing business plans, accessing finance, and developing commercial products.

3.2. NATIONAL LEVEL

- The visitor management methodology, a tool to measure the number of visitors and their impact on protected areas, was developed and included review by the US Forest Service. This tool was developed for the three protected areas YNP, CWR and LBR, but MAE anticipates using it for other protected areas in Ecuador.

- Agreements were made with MAGAP to implement their reforestation incentives program aimed at transforming degraded or unproductive lands to productive forests.

3.3. SUB NATIONAL LEVEL

- To enhance our Napo province interventions with stakeholders in the different dialogue spaces (thematic groups), work agreements have been established in line with the objectives of the National Plan for "Buen Vivir" and environmental agenda of Napo. The agreements include dividing the territory intervention by theme and geographical area to avoid duplication of efforts and seeking synergies to enhance the impact of interventions. Stakeholders include government agencies, communities, civil society organizations and international cooperation.
- In coordination with USAID's Perú Bosques project and the Peru national forestry authority (SERFOR), we promoted the creation of a financing group within the MDD forestry roundtable with the objective of influencing financial entities working in the region in terms of adjusting their financial packages to reflect the characteristics and needs of the forest users in MDD.
- We provided support to the MDD regional natural resource and environment authorities during participative process for developing the forestry and wildlife law.
- We participated in and supported the development of the MDD regional biodiversity strategy, which was approved and enacted into law by the MDD regional government.

3.4. LANDSCAPE LEVEL

- The methodology for destination management and the visitor management plan was developed through a joint effort between the MAE and SL. For the latter, additional technical support from the USFS was provided to develop a tool for planning and developing tourism activities in protected areas. The tool was implemented in 10 pilot protected areas but will likely be applied in all protected areas in Ecuador.
- We are collaborating with the GIZ led Yasuní Program to address key sustainability issues in community tourism operations in the buffer zone of the Yasuni Biosphere Reserve. The focus is on strengthening their management and business model, implementing best practices, and improving governance mechanisms.
- The solid waste management project financed for the municipality of Cuyabeno by the Ecuadorian and Italian governments and implemented with our support, addresses
- a critical problem in CWR of inorganic waste management. The training process included 9 indigenous communities located within CWR, and technical assistance was provided to tour operators. The model is an innovative example of participatory governance to address conservation issues.
- We supported the establishment of a joint agreement with MAE in conjunction with the Ministries of Tourism, Interior and Defense to strengthen security in the CWR.
- In coordination with SENPLADES, the autonomous decentralized government of Napo province (GADPN) and the leaders of Hatun Sumaku parish, we developed and reviewed the land use plan for the Sumaku Hatun parish.
- We joined forces with GADPN to implement another phase of the Environmental Leadership School with the inclusion of participants from HS. Other institutions involved include the MAE, Sumaco Napo Galeras National Park, GIZ, and Grupo Faro.
- Together with the MAGAP and the State University of the Amazon, we are collaborating in the implementation of the reforestation incentives program in the HS parish.

- Together with the members of the naranjilla roundtable (MAGAP, GADPN, INIAP, among others), we developed a work plan for supporting the implementation of the roundtable strategic plan.
- In the La Convencion province in Cusco we worked with the ProRural foundation and the local education authority in the design of an adjustment to a curriculum for youth in secondary school that incorporates the application of agriculture best management practices, with a focus on coffee and cocoa.
- In coordination with the NGO ACCA we developed an intervention plan and provided technical assistance to the PR community artisanal committee through activities such as silviculture management, organizational strengthening, better market access and participation in fairs.

3.5. OTHERS

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4. IMPACT OF LEVERAGED RESOURCES

- Brazil nut producer groups AFIMAD and ASCART finalized agreements with buyer CANDELA and AGROBANCO to increase financing for the 2014 Brazil nut harvest to a total of \$163,000. Particularly noteworthy is that ASCART increased its financing volumes from 50,000 to 150,000 USD from AGROBANCO. Utilizing credit from the bank – instead of having to commit their production as collateral as in previous years, enabling them to sell at higher prices.
- TI and ASCART obtained three financing agreements from FONDAM, GOREMAD and PROCOMPITE GOREMAD for forest resource use totaling \$200,000. The funds were invested to develop value-added processing infrastructure for brazil nut and palm-fruit processing.
- We coordinated support from C ndor Travel to provide \$5,000 each quarter to support the development of tourism in PR and become integrated into other tour operator circuits.
- Through the SL small grants program in Peru, thus far we achieved the following:
- To work toward incrementing communal revenue in TI from the sale of Brazil nut, the community acquired three Brazil nut dryers, three peeling tables, and six warehouse windows for the collection center and artisanal processing plant.
- To increase production and improve the quality of handicrafts, and strengthen the commercialization capacities of the community handicrafts center in PR, the handicrafts committee finalized the repairs to the handicraft center where they will house their equipment and materials for making handicrafts.

5. PERFORMANCE MANAGEMENT PLAN

During FY 14 we achieved some important results in our indicator advancement: Shared Indicator 1: we doubled the hectares (781,616 hectares) of biological significance and/or natural resources under improved natural resource management compared to our target (310,103 hectares). The main portion of these hectares come from the CWR, working hand in hand with the Ecuadorian government. Unfortunately we will not be able to maintain these hectares during FY 15 due to the restrictions on activities supporting the government of Ecuador. CAP 2 and CAP 3: In this year we had more than 7,000 participants in our trainings. This number reflects the continuous intensive capacity building efforts of our consortium. Shared indicator 7: Thanks to the continuous support and work of our communications specialist, we passed our goal (52 products) and achieved almost twice as many (91 products). These were then widely disseminated to local beneficiaries, throughout the regions and through key media outlets. In our FY 15 work plan we adapted our targets based on this year's success. Shared indicator 4: Due to the fact that access to government incentives in Ecuador requires

land titles as a prerequisite, we achieved only 5 economic incentives initiatives, rather than the annual target of 6. We hope to resolve this regulatory bottleneck in FY15. Overall, we met or exceeded – sometimes substantially – every indicator target, with the exception of Shared indicator 4.

6. Success Stories

7. Environmental Compliance

- Safeguards were incorporated into Aguaje management plans to ensure the provision of fruits for fauna and sufficient space for nesting areas.
- Although Tamshi was already being harvested and commercialized we carried out an ecological study to better understand the species and its management, and established a silviculture plan that integrates the monitoring of local practices and their impacts. A rapid market assessment has already been carried out.
- In Ecuador an agroforestry model for accessing the MAGAP incentives program was designed per the guidance in by USAID and FSC.
- Plantation management plans, per the guidance of FSC criteria #10 are being incorporated in the agroforestry model in Ecuador.
- In Ecuador, BMP guides were developed for naranjilla, agroforestry plantations and tree nurseries and training has been provided to local land managers and authorities.
- In Cusco and MDD, SL provided training in the BMP guides for sustainable palm and low impact timber harvesting and agriculture production.
- 300 farmers passed the evaluation for maintaining their certification this year. In Ecuador we carried out initial diagnostics of BMP in the seven project pilot farms.
- In MDD we have been working with forestry authorities and communities to facilitate local and independent compliance with the current regulations.
- We have signed agreements with the farm owners in Napo and communities in MDD. Community and farm maps have also been developed in Ecuador and Peru.

8.SUMMARY

8.1 Achievements:

- The methodology for a MAE protected area visitor management plan was developed, including components related to an inventory of tourism attractions, zoning, visitor activities, acceptable limits of change, monitoring and evaluation, and tourism projects. Implementation has begun in CWR, YNP and LBR, and the MAE will expand the activity to seven other protected areas.
- The HS land use plan was developed and approved by the HS leadership. The plan covers a total of 39,209 hectares and includes six indigenous communities and one mestizo community.
- Regulations for palm fruit harvest activities in MDD were approved, thereby providing the legal backing for sustainable extraction of the NTFP.

- Four native communities (BP, PA, TI and PR) increased their primary processing efficiency, leading to an average increase in income of 6%.
- We supported the producers of "naranjilla limpia" or clean naranjilla producers in the sale of 5,000 bottles of naranjilla juice at \$1.40 a bottle at a Napo province fair that an increase of about 50% net income for the group.

8.2 Challenges and Adjustments:

The new USAID restrictions on activities supporting the government of Ecuador present a lost opportunity to have region and country-wide impact on biodiversity conservation and sustainable tourism activities in protected areas and other natural resource use activities in project the buffer zone communities. We made adjustments to relevant activities that we hope will minimize this impact somewhat. Also, the imminent departure of USAID from Ecuador will be a significant obstacle for continuing ICAA activities in the country, particularly considering that we are only in the second phase of the four phase ICAA program. We are working to diversify funding to maintain continuity of our ICAA interventions, however this is a considerable challenge.